

One of the key features of today's Annual State of the City Address is to report on the fiscal health and economic well-being of Miami Beach. Let me try to cover it in one word. And that word, I'm proud to say, is Sensational!

We are doing so well in fact, that when I visit other neighboring municipalities, they often comment on the success of Miami Beach. From every indicator, we continue to be the economic engine that drives the entire region.

Two years ago we set a record for resort tax collections. Last year we surpassed that record and set a new record. This year we are on track to surpass last year's mark and set another record. Our tourism industry has never been as successful in our city as it is today. And the trend continues to move upward.

These achievements are especially gratifying, as my colleagues on the dais can attest, where shortly after 9/11/2001 some hoteliers were coming to City Hall to request property tax abatements due to the enormous loss of business. Days after the attacks, air travel had literally come to a standstill. Our tourist economy, 96% of which was dependant on air travel, was devastated. This great turnaround is credited to an incredible coming together of the residential and business communities.

Miami Beach was a leader in bringing together a great spirit of co-operation that has never been matched.

We have become so successful that more and more people not only want to visit, but now wish to become new residents.

There is an enormous demand to own real estate on Miami Beach. This demand has caused property values, in some parts of the city, to triple over the last 5 years. The increase in property assessments, in conjunction with this Commission's policies of fiscal discipline, has had a positive impact on our city's fiscal health. Over the last 4 years our reserves have grown by almost 40%.

How are we really doing? Well, Miami Beach's bond rating is the highest in the history of the City and amongst the highest of any tourist dependant city in the State and in neighboring states. Our unemployment rate has also decreased for the second straight year. Much of our government's success can be attributed to policies set forth by this commission and executed by our City Manager, Jorge Gonzalez.

I stated during my first State of the City in 2002 that one of my most difficult and frustrating tasks was to hold on to the money we generated in the City of Miami Beach. Well, we've come a long way and that frustration is no longer the case.

There is a new 5 year flat fee contract between the Greater Miami Visitors and Convention Bureau and the city. By holding the contract to a flat fee and not linking it to revenue growth, this city will save an estimated 8 million dollars. The commission and our manager deserve the credit for negotiating and ratifying a good, solid, balanced contract that is fair to our residents while also maintaining a healthy budget to promote the visitor industry and to market the Convention Center.

Starting next year, a new interlocal agreement with Miami-Dade County will take effect, allowing for a greater share of RDA dollars to enter our general fund. This commission and this manager again deserve the credit for negotiating and ratifying the new interlocal. We are looking at an infusion of 50 million dollars. That's 50 million dollars!

Recently the City Commission accepted the County's offer to take over the electric shuttle route. The new service will double the current route; save the city approximately 1 million dollars a year while maintaining the same rider fee. Again, this Commission and this City Manager deserve the credit for an expanded and more efficient bus service in our city.

Another very important factor that has added to the fiscal health of the city is the implementation of far-reaching ethics legislation. I am pleased to report the passage and full implementation of lobbyist registration requirements; lobbyist fee disclosure; the barring of lobbyists from serving on city boards; vendor campaign contribution prohibitions; real-estate developer campaign contribution prohibitions; the contractor debarment ordinance; the contingency fee prohibition; the banning of lobbyist campaign solicitations; the requirement of commission abstention from vote and participation in discussion when there is a conflict of interest; the barring of a city commission member from contracting with a party that may come before the commission; the extension of the cone of silence to the commission when dealing with vendors.

A special thanks to my good friend and colleague, Commissioner Jose Smith, who has worked diligently on ethics legislation throughout his tenure. Jose, I think you would agree that when it comes to preserving the public trust, this is a much different place today than when we arrived seven and a half years ago. The byproduct of the implementation of good, solid, ethics legislation is an efficient and effective government. With Jose's leadership and the support of this

commission, Miami Beach has been at the forefront in implementing strong ethical standards.

Thank you, Jose.

Service-wise, public safety remains the chief priority of our city. In a moment, I will continue the tradition of honoring individual public safety personnel from each department for outstanding service to our community. But first, I believe it's important to point out a few of our public safety departments' overall accomplishments.

The police department, under the leadership of Chief Don Delucca, has had another very successful year, highlighted by a decrease in serious crimes and an increase in arrests made in felony and misdemeanor cases.

These impressive statistics, coupled with increased traffic enforcement numbers have ensured that the streets of Miami Beach remain safe.

Not to be outdone, our fire department, led by Chief Floyd Jordan, continued its superior service to the city in 2004. The department earned official accreditation from the *international commission on fire accreditation* following an intensive self-assessment and on-site evaluation. In addition, the Miami Beach Fire Department

continues its stellar performances in Fire Suppression, Fire Prevention and Emergency Medical Service.

As a brief aside, let me mention that our firefighters will soon have new state-of-the-art firehouses. And I want to recognize our former Fire chief, Commissioner Luis Garcia, specifically as it relates to the new firehouses. It has been almost a decade since the firehouses have been contemplated. Commissioner Garcia has never given up. Luis, you deserve to be recognized for your efforts, and quite frankly, if you had not kept up the pressure, the new firehouses may have only stayed a priority and not become a reality. You deserve a hand for never giving up.

In the past year, the Ocean Rescue Division, which is led by Captain Vincent Andreano, has continued to keep our beautiful beaches safe for both residents and visitors. Lifeguards from the department recorded a record 900 lives saved this past year and took thousands of preventative actions to keep beachgoers out of harm's way. Our hats go off to the men and women of Miami Beach's Ocean Rescue Division.

On to individual award recipients. These officers were nominated by their peers and represent the very best of the Police Department, the Fire Department and Ocean Rescue.

From the Miami Beach Police Department: Officer of the year Jeffrey Motola. Officer Motola, please stand and be recognized for your exemplary work.

Among his many accomplishments, Officer Motola has earned “officer of the month” honors three times in the past year. Officer Motola is responsible for apprehending three serial burglars who plagued homes and businesses in the north end district; he played a major role in the arrests of every single member of a gang of vandals in the same area; and perhaps most impressively, he single-handedly arrested two serial criminals involved in a violent armed home invasion robbery – apprehending one of the offenders while driving home from work. Add to this impressive list the arrests of stalkers, sex offenders, and armed robbers, and it becomes even more apparent that officer Motola’s bravery and commitment to the safety of the public is unflinching. We thank you and commend you for your fine work.

I would also like to recognize two individuals from the police department for receiving the prestigious Dade County “Law Enforcement Officer,” or Leo Awards, given out each year by the chiefs of 35 city and county law enforcement agencies. Detective Luis King and Sergeant Rick Clements, please rise and be recognized.

Detective King was honored with the “Leo” medal of valor for his primary role in arresting an attempted homicide subject. Detective King risked his own life without hesitation – chasing down the heavily armed criminal on foot – and his quick actions took a dangerous criminal off of our streets.

Sergeant Clements received the “Leo” award for crime prevention and community policing. He actively reached out to the community and created a strong police-citizen partnership. Homeless outreach, community outreach during Memorial Day weekend, and improved communications with citizen crime watch groups are just a few examples of Sergeant Clements’ fine work.

It is also well worth noting that Miami Beach police officers have received two of the last three “officer of the year” awards given by Leo.

James Aiello, Please stand and be recognized. In an era of heightened security concerns, firefighter Aiello has demonstrated tremendous initiative by traveling to complete specialized courses in bomb recognition, chemical and biological weapons recognition, and response procedures for such scenarios. Upon returning from his studies, Firefighter Aiello shared his new insight with his colleagues and arranged for some of them to travel to schools for training. In addition

to safeguarding our citizens with his expertise, Firefighter Aiello has secured federal grant money for the Fire Department and fostered strong alliances with local, state, and federal officials to the benefit of the city. Firefighter Aiello's initiative, willingness to learn *and* teach, combined with his ability to tap into all available resources to improve local conditions underlie a fundamental concern for the well-being of our citizens. Thank you, sir, for your outstanding work.

Finally, I would like to call on the Ocean Patrol lifeguard of the year, Dawson MacDonald. Please stand and be recognized, sir.

Dawson is a 22 year veteran of Miami Beach's ocean patrol and exemplifies professionalism and leadership while going about the task of keeping our city's namesake beaches a safe place for all to enjoy.

Already a certified e.m.t. and a jet ski rescue instructor, Dawson further distinguished himself this year by completing a zodiac boat rescue school run by the U.S. navy seals and helped to develop a quicker, safer, jet ski launching technique to be used in beach rescues. Dawson is now teaching these new techniques to his colleagues and continues to train new Ocean Patrol recruits in lifeguard skills. Dawson's many years of service to our city speak volumes and his passion for learning and

teaching new lifesaving techniques is an asset to all who work and play on our beaches.

We all recognize that there is no greater responsibility we have as a government than ensuring our public's safety, and our highest safety priority must be the protection of our children.

Currently in the city of Miami Beach, there are 36 registered sexual offenders, 6 are registered sexual predators. It is well known that these convicted criminals have an extraordinarily high recidivism rate; meaning that there is a strong likelihood that they will repeat their heinous crimes. Further, many stalk and plan their attacks on the most vulnerable and innocent in our community.

I commend the efforts of law enforcement to inform the public of where these ticking time bombs live and for the monitoring of their behavior. Unfortunately, the recent cases of child torture and murder in our state have caused me to ask for a new approach. This city has the power to take greater action.

Under Florida Law, Registered Sexual Offenders can not reside within 1,000 feet of any school, school bus stop, park or place where children congregate. 1000 ft. is just not far enough. I have been working with the City Attorney's office and will introduce a new distance

requirement of 2500 feet or one half mile from any school bus stop, school, park or area where children congregate.

Some will argue that this is too restrictive and you are in effect zoning these convicted criminals out of your city. My response is simple. It is our city's obligation to do everything within our health, safety and welfare powers to protect our children. And we are going to make that happen.

Let's talk about children and the growing number of families in Miami Beach, where quite frankly, many are having a difficult time being able to afford the rising costs that can sometimes define a "successful" city.

We have at the dais Commissioner Matti Bower, whose many years of activism and now service on the commission, have kept our feet to the fire on this complex issue, that some call gentrification, and others just call a real estate boom.

Matti has never stopped expressing her concern for our residents, especially our children and senior citizens. She has worked hard for our children and families so that our parks and recreational programs are affordable for all of our residents.

Matti, I commend you. You continue to be this commission's conscience on social issues. In the coming year, we will do even more in improving our city for everyone.

Thank you, Matti, for being Matti.

One of the more important aspects of being a good public servant is treating the public with dignity and respect. Our city employees have done well in this area. I wish to recognize three top notch department heads who have been exemplary.

First and foremost, our Clerk Robert Parcher. No office has more contact with the general public than our clerk's office. Simply put, in almost eight years in public office I have never received a complaint about the Clerk's office (of course all complaints about the clerk's office are filed with the clerk's office so they may not have gotten to me). Bob's office has been extraordinary in their treatment of everyone who has made inquiry for information or assistance. He has shown complete fairness and evenhandedness.

Secondly, I commend Jorge Gomez, our extremely talented and patient Planning Director. Jorge and his staff, particularly Tom, Richard, William and Mercedes, have been extraordinary in dealing not only with public requests but also with the complex issues discussed at

the Planning, Zoning and Historic Preservation Boards. And of course, let's not leave out the Commission, where some of our requests can actually wind up being just the opposite of what was requested in the first place. You guys know what I mean. Jorge and his staff deserve a hand for fulfilling their duties in exemplary fashion.

Finally, a man who has one of the more difficult jobs in our city. Parking Director Saul Frances. One of the great frustrations of modern urban life is finding a parking space, especially in front of where you live. Saul has been superb and innovative in creating new residential parking zones as well as maximizing our public parking facilities. He has responded to a sometimes flabbergasted public with great compassion, understanding and respect. Stand up, Saul. You deserve a hand for just staying sane.

Since we are on parking, this might be a good opportunity to recognize Commissioner Richard Steinberg, who among other ideas and initiatives, has put parking and transportation issues very high on his agenda. As a veteran of parking and transportation committees, Richard continues to identify and tackle one of the more perplexing and, I'll use that word again, frustrating dilemmas that seems to be

challenging cities up and down the east coast, particularly in growing urban cores.

Richard, your knowledge and expertise are invaluable to this commission and to this city; I applaud your efforts. Richard's commitment to Big Brothers Big Sisters, increasing voter registration, and Leadership activities with the League of Cities, also deserve commendation. Thank you, Richard.

This city has stayed focused on our mission. The City has achieved a great deal and our efforts have translated into real and meaningful results for our entire community. Thanks to these efforts, our community now has less crime and more police officers patrolling our streets; more and better trained Firefighters using state-of-the-art equipment; new and improved playgrounds, parks, and recreational facilities; improved streetscapes; an even more vibrant and thriving cultural arts scene; an upward economic trend with more businesses and jobs, more retail, hotel and restaurant options; more parking availability; real property value appreciation; continued growth in the overall wealth of the community; lower costs to borrow money for investment in our capital projects; a lower overall tax mileage rate; more opportunities to access government; and ever expanding

communication with members of our community. I am happy to report that the quality of life on Miami Beach continues to improve every day.

As Mayor, I report this. In reality, our success is the product of the efforts of this Commission and this Manager. We have a banker on the Commission, Simon Cruz. We've been sitting next to each other on the dais for about, what do you say Simon, a couple of lifetimes. Far more often than we disagree, we agree, and even when we don't always see eye to eye, it somehow shakes out at the end. Usually for the betterment of the city. Simon is a gentleman and his insight on business and some of the rather complicated deals that come before us, are valued and respected. And we've also shared a few laughs, which we will keep amongst ourselves.

Much of the city's business in recent years has centered on business. It could have been in the stars, because there could not have been a more appropriate addition to this commission than Saul Gross for the era we've entered. It would take me about a week to try and explain to you what the election of Saul Gross has meant to this city, and most of it has been pretty positive. Just, kidding. Maybe.

I'll be the first one to admit that I've learned a lot from Saul. For example, now I can recognize whether the eyebrow of an historic

building is having the proper conversation with the window treatment. Saul, don't think I haven't been listening. On a more serious note, Saul, you have been a tremendous asset to this commission and to this city. I applaud you and I'm sure the manager is happy that you're here to wrap up the new design for South Pointe Park.

Recently, I had the opportunity to speak with a politically astute individual who has served on numerous city boards and is still very active in community affairs. Upon inviting him to the State of the City Address he asked as to my vision for the city over the next year. He expressed the importance of bringing out a mayoral vision.

In politics, at all levels, be it Federal, State or Local, it's true that one's vision has been given great importance. There are those who commend a Politician as being "visionary" when he or she is standing in the middle of a real estate deal wearing a hard hat or figuring out innovative ways to move public dollars into the cupped hands of private individuals.

Frankly, this is not my vision of good government, no matter how it's packaged. My vision for our city and its continued success is to provide the best Police, Fire, Sanitation, and Parks. To have an efficient Public Works Department and Capital Improvement Office.

In fact, I believe this vision is shared by my colleagues, our City Manager, and those who are fortunate to work for our city. This vision has led to more money coming into our coffers. Great city governments are defined by what they give back to the entire community, not just to the privileged few.

The great desire of people to live in our city has made us an urban center. With urbanization, you get the inevitable traffic, noise, less parking and general overcrowding. Our city has commissioned numerous studies in an attempt to collect data to formulate solutions to these problems. Frankly, I have come to the conclusion, as I am sure many of you have as well, that we just have too many cars in too small a place. As a commission we have done well in expanding bus transit and I will continue to advocate an expansion so that all the coastal communities will be better linked with each other and with Miami. Our business community has benefited greatly from our economic success. Our guests benefit from our wonderful beaches, art and culture, diversity, nightlife and architecture. Our surrounding municipalities, Miami-Dade County, and the entire region have benefited from Miami Beach's boom.

There's a boom alright. But what about our year- round residents? Many have had to tolerate greater traffic, noise, parking woes and at times, well let's just say; general inconvenience. Their quality of life has changed while living in a more urban environment.

The time has come, as a government, to do for our residents who have borne the negative impacts of an Urban Environment. I am proposing legislation for an Urban Impact Compensation Fund. It's giving back. If residents choose to get some of their tax money back from the government they can participate in the program.

Usually, visionaries in government think of programs to spend taxpayer money. My vision is to give taxpayer money back.

I am pleased to report that our manager has been very receptive to this initiative. To his credit he has structured an administrative mechanism to allow for our year round residents to get some of their money back. Special thanks to our City Attorney, Murray Dubbin for his assistance on this new program. Greater details will be unveiled at the April 20th City Commission Meeting. I hope my colleagues will endorse this measure as they learn more about it. In a city brimming with progressive ideas, one which gives the opportunity for residents to get money back from the government should not be passed over.

During my first State of the City speech in 2002, I raised the issue of homelessness. Until that point not many in our city wanted to face the issue head on. As we all know, it is a difficult undertaking due to the legal, social and economic issues involved.

I am pleased to report that our city has made great progress in this area. Through Homeless Outreach efforts, the homeless count in the City went from 304 to 259. Approximately 4,495 contacts were made, 298 relocations and 595 shelter placements were made. In addition, staff participated in four Saturday homeless outreach missions; conducted expanded homeless outreach in the evenings and on Saturdays in anticipation of hurricanes; established collaborative arrangements with addiction service providers and transitional housing providers.

Some other important efforts worked on throughout the year include: the Quality of Life Improvement Initiative; the ongoing Noise Ordinance enforcement discussions; the negotiation and collection of the \$15 million of Convention Development Tax (CDT) proceeds from Miami-Dade County pursuant to our interlocal agreement of 2001. The inclusion of more than \$110 million of City or City related capital projects in the County's G.O. Bond Program; the collective bargaining

negotiations with all five of the City's labor unions which resulted in four contracts being adopted in record time and in an amicable manner; the resolution on the land use and financial elements of the Alaska Parcel and Portofino settlement; the negotiations with the New World Symphony and their soundspace proposal; and the conclusion of negotiations with the Royal Palm Crown Plaza.

This year, for the second year in a row, our Budget Book was recognized by the Government Finance Officer Association with their Distinguished Budget Presentation Award.

CIP completed or substantially completed the following projects this past year totaling \$25 million, resulting in improved or totally renewed parks, more beautiful streetscapes, and improved parking lots and infrastructure. We have North Shore Park and Youth Center; Scott Rakow Youth Center; South Shore Community Center, a new-magnificent regional library...I could go on for days on what we've got and what we all can look forward to. Maybe we'll save that for next year's State of the City.

I do want to mention that our city continues to enhance our Major Events Plan to coordinate, prepare, and allocate resources for all major events held in Miami Beach, including: Art Basel, Art Deco Weekend,

Miami Beach Festival of the Arts, the Boat Show, South Beach Food and Wine Festival, Memorial Day weekend, the Fourth of July celebration and various other major events.

We opened the Byron Carlyle Theater in North Beach, making this venue available to arts groups throughout the City in an effort to further the performing arts in the North Beach area.

I know of no city of our size which has consistently done more for Art and Culture than the city of Miami Beach.

I am extraordinarily proud of our ability to come together as a community. We take great pride in our diversity and as the years pass I see us evolving from focusing on ethnic diversity to our recognition of our community's diversity of ideas. We have benefited from so many new residents from so many different places, sharing not only their cultural heritage but also a wide range of points of view. We must continue to welcome and encourage Miami Beach's great diversity of ideas.

Let me recognize my personal staff. Jose Bermudez, John Heffernan and Francis Rodriguez. Let's recognize the entire mayor and commission office staff. I believe most of them are here. Luis Wong, Abel Saborit, Jr., Margaret Alcon, Harold Foster, Maria Lorenzo,

Sandy Meyer, Esther Rodriguez, Rachel Lief, Dolores Mejia and Mariyill Noda. Let's give them a hand. They do a fine job.

Let me conclude by saying what a privilege and honor it is to be your mayor. It's a great time in our city's history, right now, on her 90th birthday.

I thank you all for being here. God Bless the City of Miami Beach, the State of Florida, our great country and all of the men and women of the United States military serving here and abroad.

Thank you.